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1. See "Staff Intelligence" as defined in NSC 10-3

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1. Some of the remarks of Admiral Inglis during the meeting of the Intelligence Advisory Committee of December 8, 1947 might be taken as an example of the difficulties that might have been encountered. See p. 18, IAC meeting, December 8, 1947

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The first intelligence directive of the National Security Council states (paragraph 8) "The intelligence organizations in each of the departments and agencies shall maintain with the Central Intelligence Agency and with each other....the continuing interchange of intelligence information, and intelligence available to them."

The fact that there are ambiguities in these statements is perhaps less important than the fact that although they enjoin, they do not compel any agency to make intelligence available to any other. It is to be assumed that the Director's right of inspection was intended to take care of this omission. If that had been the intention, however, it would have been necessary for the Director to press the right of inspection to great lengths. It is questionable if the Director could have succeeded even then.¹ In any case, the decision of the first three Directors not to make use of the right of inspection left them in the position of relying on voluntary cooperation in this as well as other respects. It was under these circumstances that Central Intelligence, between 1946 and 1950, attempted to correlate and evaluate intelligence relating to the national security.

Current intelligence in the form of regular and occasional dispatches from the field made up the bulk of what the Office of Reports and Estimates received. The evidence that it was incomplete is circumstantial. As a simple matter of statistics, however, the quantity of material received from the military agencies as compared with that received from the

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Department of State was very small. Although it was evident that more would be received in any case from the State Department than from the others, the proportion appeared extreme. The Office of Naval Intelligence, in particular, contributed less current intelligence than it would seem logical to suppose must come into the Navy Department.¹

The Department of State, although it contributed much current intelligence, did not contribute all it had at its disposal. The Department did not hesitate to admit this. For example, in an interview between a representative of Central Intelligence in February, 1948, and the Briefing Officer for the Secretary of State there is the following statement: "Mr. Barnes explained that, under the current State Department policy of furnishing high level cables to CIA, situations arise whereby the Daily Summary" (i.e. the Central Intelligence Daily Summary) "contains policy level comment which the Department does not distribute internally in some cases even to some of its Assistant Secretaries. Under present distribution of the Daily Summary, this information is made available not only to intelligence offices of the Department but to the opposite levels in other IAC agencies."² Hence, of course, it would be contrary to State policy to allow such material to appear in the Summary unless the Summary's distribution were more strictly limited.

What State classed as "policy level comment" might also be intelligence. If it was intelligence, the Department of State was bound by law to share it "with the Central Intelligence Agency and with each other." But in the absence of inspection by Central Intelligence or

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1. For further discussion of this subject see memorandum for the Director of Central Intelligence from the Assistant Director, Office of Reports and Estimates, subject: IAC Cooperation with CIA, dated 30 September 1949 in folder marked "Coordination with IAC Agencies" in Historical Files

See also remarks of the Chief of Naval Intelligence in report of IAC meeting of December 8, 1947 in Historical Files

2. See enclosure to a memorandum from the Assistant Director for Collection and Dissemination to the Director of Central Intelligence, dated 25 February 1948, in folder marked "Coordination with IAC Agencies" in Historical Files

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any other form of compulsion, the Department of State had the option of defining what was intelligence and what was policy and of classifying its information accordingly without reference to Central Intelligence or its military colleagues. As the above quotation shows, State proposed to treat the other intelligence agencies as it did its own internal organization so far as circulating information was concerned.

The type of information specifically referred to in the interview just noted was probably what the Department of State designated as "S/S." This consisted of communications addressed to the Secretary of State and intended primarily for his use. "S/S Traffic" was normally made available to Central Intelligence but under restrictions, the principal of which was that Central Intelligence could use it in its Daily Summary only by "permission." Central Intelligence was cautioned against sharing "S/S" traffic with the State Department's own Office of Intelligence Research because the Department was restrictive in its policies toward this Office. Thus Central Intelligence not only received State Department information under restrictions but was, in fact, prevented from fully carrying out its own obligations with respect to distributing information within the national intelligence structure.

Although the Office of Reports and Estimates was aware that it did not actually receive all the intelligence available within the Government of the United States, there was little that the Office of Reports and Estimates could do about it. A direct accusation that the military Departments were withholding current information could not very well be made in the absence of proof. Furthermore, aside from material that

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was "operational" and therefore unavailable to intelligence, there was always "Eyes Only" traffic which the addressee was technically not at liberty to share with any other person. Through the one device of the "Eyes Only" classification any Agency could withhold information from any other, for there was no way of knowing that it had been received.

There was something tangible to protest in the State Department's open assumption that it could control distribution without reference to policies established by the Security Council, but the Department of State implied that unless Central Intelligence complied with State restrictions, the flow of all "high level" traffic might be cut off. Just how such a threat could legally be carried out is not for discussion here; the point is that those in the Office of Reports and Estimates who were a party to the type of gentlemen's agreement involved preferred to comply on the general theory that it was better to receive as much information as possible by sufferance than to be cut off entirely in consequence of attempting to force the issue.

Although no evidence appears of any complaint from Central Intelligence over not receiving material from the field, difficulty developed with respect to exchange of departmental reports and estimates.¹

The problem arose in concrete form in 1949 when the State Department (Office of Intelligence Research) complained that its own work was being unnecessarily duplicated by Central Intelligence. The Office of Reports and Estimates in effect replied that if duplication had occurred,

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1. The attached history of the Publications Review Subcommittee presents a picture of one part of this development. Another document of considerable interest in this regard is the minutes of an interagency meeting held on October 5, 1949 to discuss this problem, among other things.

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the fault lay with the Office of Intelligence Research which had not kept Central Intelligence informed concerning work in progress. The Office of Intelligence Research published a monthly digest of work planned and in progress, but the publication was not useful because it was not kept current between issues.

In recognition of this fact, the Office of Reports and Estimates some time in 1949 had made informal arrangements to receive more frequent and more current reports on State intelligence production plans. This arrangement had, however, been terminated abruptly and without explanation shortly after it was begun. The military agencies, meanwhile, furnished very little information on their production plans outside their own organization. Central Intelligence, however, circulated to all agencies a list of its own work planned and in progress, as well as individual announcements of new projects.

From the point of view of Central Intelligence, therefore, it was disconcerting to be accused of duplicating the work of the other agencies. It was an obstacle to its own work furthermore not to have full access to departmental reports and estimates (i.e., that material designated as "Staff Intelligence" under NSCID 3) planned and completed. In spite of efforts to solve the problem, the agencies continued to insist upon receiving advance notice of all work planned by Central Intelligence but did not agree to any reciprocal service of their own. As can be seen from the Enclosure below, as well as from other documents (see No. for example), this policy on the part of the Agencies was increasing rather than decreasing as time went on.

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An incident recorded in 1950 demonstrates how this situation tended to reach an impasse. It has to do with the withholding of "operational" intelligence under circumstances where the use of such intelligence was obligatory. The immediate problem was the production by Central Intelligence of Intelligence Memorandum No. 312: "Chinese Nationalist and Chinese Communist Intentions with Respect to Taiwan."

In a memorandum to the Director of Central Intelligence dated August 23, 1950 the Assistant Director for Reports and Estimates complained that: "Among the problems encountered in the preparation and coordination of this study were the following....challenge of the CIA estimate in the coordination conference for not taking into consideration the capabilities of the US forces deployed in the area."

The background of the Assistant Director's complaint was complex. The estimate had been requested by the State Department at a time when the status of Taiwan had become vital in relation to the Korean War. The purpose was to determine whether or not the Chinese Communists could and would capture Taiwan. The question could be answered positively only in terms of countermeasures to be taken by the United States. It could be answered hypothetically without reference to these measures. As a result of Agency complaints, the hypothetical method was finally adopted for the estimate, but even then the military agencies dissented on grounds that the capabilities of the United States had not been taken into account. Central Intelligence could not know these capabilities unless the military agencies furnished the information. Yet the military agencies had declined to furnish it.

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The situation was made more ironic by virtue of certain correspondence that preceded and followed the production of this estimate. On June 27, 1950, two days after the Korean invasion, the Director of Central Intelligence had written the directors of each service intelligence agency saying, among other things: "It is important for this Agency to receive copies of all communications, both incoming and outgoing, which contain information of (1) the strength, composition, disposition, and movements of United States forces abroad...and (2) US plans, policies, operations, and actions affecting the situation in foreign areas." The Director did not receive a reply to this request until September 25, two months after the request had been made and a month after production of Intelligence Memorandum No. 312. The reply came from the military intelligence chiefs in their capacity as members of the Joint Intelligence Committee. This reply stated in part that (1) the service agencies were "complying with National Security Council Intelligence Directive No. 3" but that "little of the material requested comes within the definition of 'intelligence' as commonly used"; (2) representatives of Central Intelligence have been given access to the Joint Staff Situation Room and to the daily Washington-Tokyo teletype conference, which two sources were believed to "supply to the maximum practical extent the requirements of the Central Intelligence Agency for operational information" and, finally, (3) "As regards information pertaining to US plans, policies, etc...as listed in paragraph 2 (2) of your letter, this list is of such breadth and sensitivity that it requires the application of the 'need to know' principle. It

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is considered entirely impracticable to meet such a blanket request. Specific requests for information may, however, be submitted to the Joint Chiefs of Staff through the Secretary, Joint Chiefs of Staff." The memorandum was signed by G. R. Peck, who noted that the Joint Chiefs of Staff themselves had approved of the position taken by the Joint Intelligence Committee.¹

National Security Council Intelligence Directive No. 3 (paragraph 1 e (4)) to which the Joint Intelligence Committee presumably had reference states: "The Director of Central Intelligence shall, by agreement with the pertinent agency or agencies, request and receive such special estimates, reports and pertinent briefs or summaries prepared by the individual Departments or agencies in their fields of dominant interest or in accordance with their production of intelligence reports or estimates undertaken mutually." National Security Council Intelligence Directive No. 1 of December 12, 1947, after two revisions, still stated in September, 1950: "The intelligence organizations in each of the departments and agencies shall maintain with the Central Intelligence Agency and with each other as appropriate to their respective responsibilities a continuing interchange of intelligence information and intelligence available to them" (paragraph 8); and provided also that "the intelligence organizations within the limits of their capabilities shall provide or procure such intelligence as may be requested by the Director of Central Intelligence or by one of the other departments or agencies." (paragraph 10)

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1. See file marked "Coordination with IAC Agencies" and a similar file marked "Joint Intelligence Group (US). Both are in Historical Files,

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As has been pointed out already, no means existed of enforcing these provisions; nor was there any official definition of the word "intelligence" in this connection. In the absence of such a statement, the agencies seem to have adopted their own, under which any information considered by the military departments to be "operational" (or by State to be "policy") was not intelligence and therefore was to be excluded. The "operational" distinction had been employed by the military departments from the beginning. Ordinarily the point could be ignored because operational information was not necessary to the production of most routine papers. Such a case as that of Intelligence Memorandum No. 312, however, objectified the possibilities inherent in the military view of "operational" versus "intelligence."

The consequences in this case logically amounted to an attempt on the part of the Joint Intelligence Committee (or the Joint Chiefs of Staff) to prevent the Central Intelligence Agency from producing any estimate at all. For if, according to the statement of the service intelligence chiefs, Intelligence Memorandum No. 312 could not be produced satisfactorily apart from knowledge of the military capabilities of the United States, and if this same committee declined to give Central Intelligence any information on this subject, there was nothing Central Intelligence could do other than to produce an unsatisfactory paper accompanied by dissents from all three military departments (which is what it actually did); or to cancel the estimate even though it was officially requested by the State Department.

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Over the years 1946 to 1950 the Office of Reports and Estimates was probably receiving the bulk of all information at the disposal of the agencies on which it was almost wholly dependent for information. It may have been that the remainder, which was never received in Central Intelligence, constituted only a small proportion of the total. Nevertheless, as the case of Intelligence Memorandum No. 312 brought out, the information withheld, however small, constituted a potential barrier to the whole idea of central intelligence.

The evidence would seem to show that the system as it had developed by the end of 1946 left the vital problem of interchange of information dependent upon voluntary cooperation. This cooperation was not freely given at all times. That the Office of Reports and Estimates was able to function in spite of this fact may be seen in the results it produced (see No.). Whether or not its record would have been better if circumstances had been different is open to dispute.